

# Commonwealth of Kentucky Personnel Cabinet

Prepared for:  
Kentucky Group Health Insurance Board Members

July 2006

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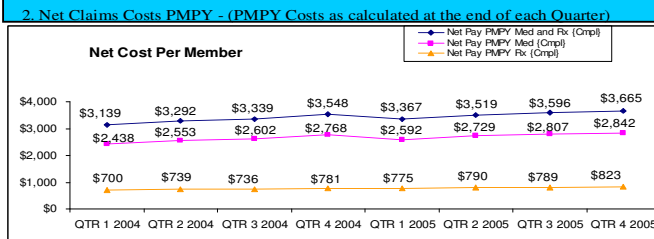
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## Dashboard Report

# Based on Incurred Claims

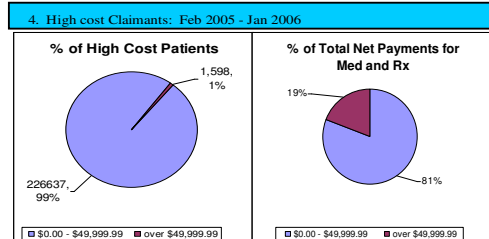
Includes projections for Incurred by not yet reported claims (IBNR or CMPL)

1. Enrollment			
	Mar 2005 - Feb 2006	Mar 2004 - Feb 2005	% Change
Fact			
Employees Avg Med	144,588	143,814	0.50%
Members Avg Med	230,905	227,972	1.30%
Family Size Avg	1.6	1.6	0.70%
Member Age Avg	37.1	37.0	0.40%



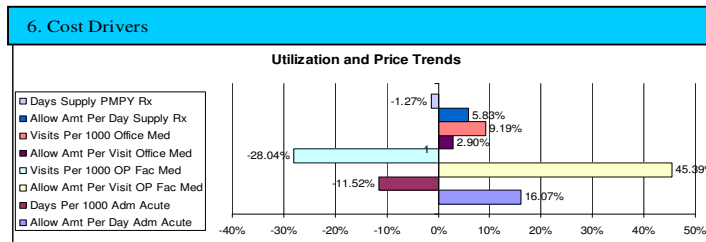
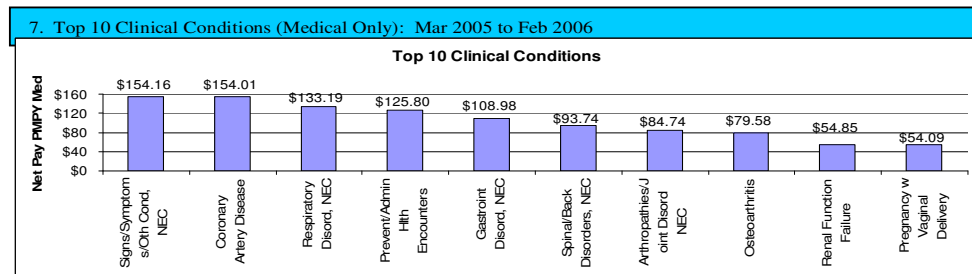
3. Allowed Claims Costs PMPY with Norms					
	Mar 2004 - Feb 2005	Mar 2005 - Feb 2006	Trend	Recent US Norm	Comp to Norm
Allow Amt PMPY Med (Cmpl)	\$2,948.77	\$3,158.29	7%	\$3,365.30	-6.55%
Allow Amt PMPY IP Acute (Cmpl)	\$875.36	\$912.78	4%	N/A	N/A
Allow Amt PMPY OP Med (Cmpl)	\$2,035.46	\$2,227.45	9%	\$2,170.48	2.56%
Allow Amt PMPY OP Fac Med	\$954.26	\$1,008.56	6%	N/A	N/A
Allow Amt PMPY Office Med (Cmpl)	\$703.28	\$796.52	13%	\$0.00	N/A
Allow Amt PMPY OP Lab (Cmpl)	\$136.69	\$147.15	8%	\$0.00	N/A
Allow Amt PMPY OP Rad (Cmpl)	\$262.56	\$306.52	17%	\$0.00	N/A
Out of Pocket PMPY Med (Cmpl)	\$286.77	\$302.15	5%	\$524.83	-73.70%
Allow Amt PMPY Rx (Cmpl)	\$1,035.26	\$1,081.78	4%	\$893.67	17.39%
Out of Pocket PMPY Rx (Cmpl)	\$279.28	\$257.62	-8%	\$0.00	N/A

Above Norm  
Below Norm



5. Prescription Drug Programs				
	Fact	Mar 2004 - Feb 2005	Mar 2005 - Feb 2006	% Change
Mail Order				
	Discount Off AWP % Rx	29.42%	27.26%	-7.35%
	Scripts Generic Efficiency Rx	83.73%	87.10%	4.02%
Retail				
	Discount Off AWP % Rx	24.81%	28.23%	13.78%
	Scripts Generic Efficiency Rx	88.54%	91.98%	3.89%
Total				
	Discount Off AWP % Rx	25.34%	28.11%	10.93%
	Scripts Generic Efficiency Rx	88.34%	91.79%	3.91%
	Scripts Maint Rx % Mail Order	5.87%	5.99%	2.09%

6.b. Cost Driver Support Table			
Fact	Mar 2004 - Feb 2005	Mar 2005 - Feb 2006	% Change
Allow Amt Per Day Adm Acute	\$2,467.38	\$2,863.91	16.07%
Days Per 1000 Adm Acute	349.49	309.24	-11.52%
Allow Amt Per Visit OP Fac Med	\$475.25	\$690.98	45.39%
Visits Per 1000 OP Fac Med	2,007.44	1,444.46	-28.04%
Allow Amt Per Visit Office Med	\$101.67	\$104.62	2.90%
Visits Per 1000 Office Med	6,915.95	7,551.21	9.19%
Allow Amt Per Day Supply Rx	\$2.07	\$2.19	5.83%
Days Supply PMPY Rx	500.59	494.25	-1.27%



## Introduction

The Department for Employee Insurance (DEI) is pleased to provide an analysis of the Kentucky Employees Health Plan. In response to requests for data analysis this report has been prepared to provide information related to enrollment, claims payment, and utilization.

It is the Department's intent to update this information on a monthly basis in an effort to continue to provide current information about Kentucky's Health Insurance Program.

## Overview

This report is compiled using Medstat, which is DEI's health insurance information management system. Medstat warehouses enrollment and claims data. Enrollment data is provided by DEI while claims data is provided by each carrier.

Claims information may be analyzed by either "incurred" or "paid" dates. "Incurred" reports specify paid amounts for claims that were incurred in a specified timeframe. Due to the lag time in submittal and payment of claims, historical reports that are based on incurred claims may change significantly with each new database update since additional incurred claims will be added. "Paid" claims reports specify the paid amount for claims regardless of when the claims may have been incurred. Generally historical reports that are based on paid claims will not fluctuate significantly with each new database update unless claims adjustments have been made to previously paid claims. There is an exception to that rule for claims paid on or after January 2006. Prior to 2006, carriers submitted claims information to Medstat on a quarterly basis. Beginning in 2006 Humana and Express Scripts began submitting claims data on a monthly basis. Anthem, Bluegrass Family Health, CHA Health, and United Healthcare will continue to submit run out claims information in 2006; however, Anthem and United Healthcare will only submit data quarterly while Bluegrass Family Health and CHA have converted to a monthly schedule. Therefore, historical reports for 2006 "paid" claims will fluctuate significantly depending on the last database update.

Enrollment in the KEHP changes on a daily basis due to a variety of reasons such as: new hires, adding dependents, dropping dependents, marriage, divorce, becoming Medicare eligible, etc. Therefore, Medstat is dealing with a fluid enrollment base. Also, each carrier processes claims slightly differently. During 2005 Medstat processed enrollment information for a total of 253,984 members as well as 7,196,140 claims (3,083,368 Medical claims and 4,048,855 prescriptions) from up to five different carriers. When dealing with such large numbers it is impossible to tag every claim to a corresponding group, carrier, service type, etc. While the tagging rate for the KEHP data exceeds 99%, you may still see information on reports stated as "~Missing". This indicates any enrollment or claims that could not be "tagged" by Medstat.

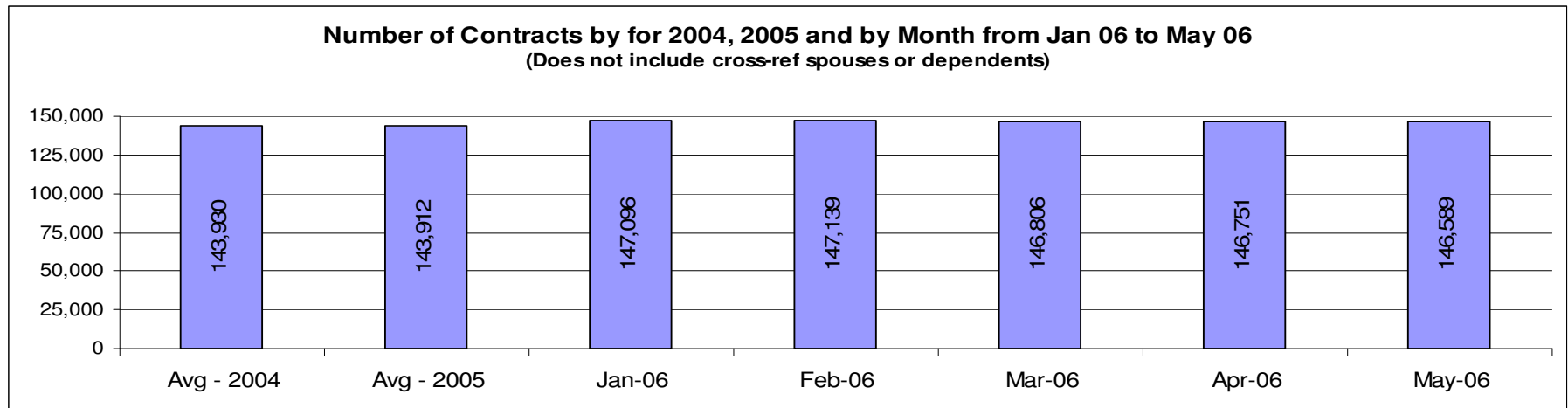
## Definitions

DEI utilized the following definitions in preparing reports:

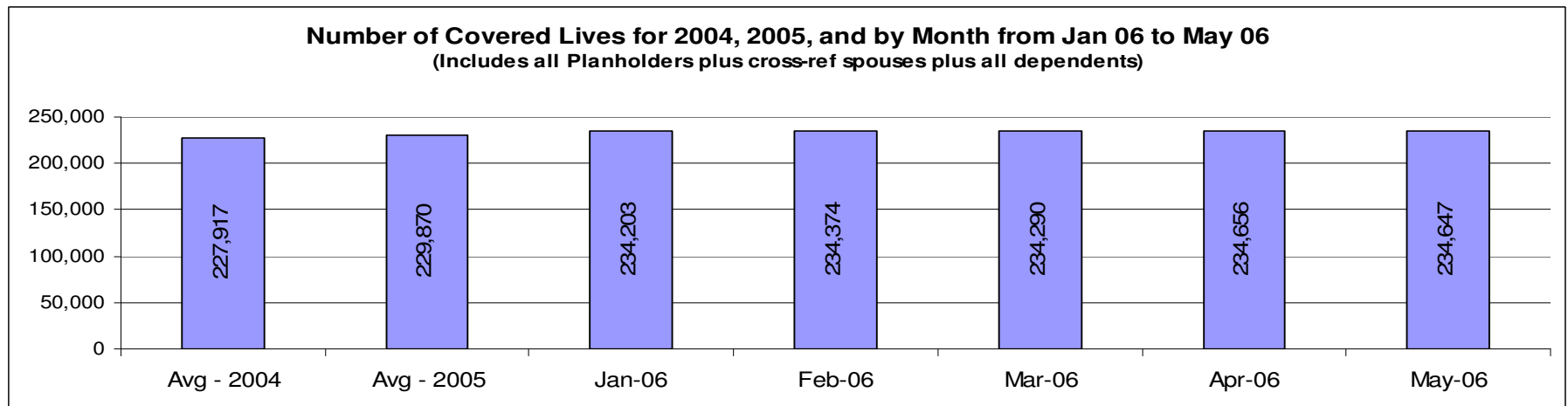
- “Employee” represents an individual eligible to participate in KEHP as a retiree in either KTRS or KRS, or by being employed by one of the agencies that participate with KEHP (example: state employee, school boards, Quasi agency, etc.). Employee may also be referred to as “planholder” or “contracts”. Please note that Medstat deals with Cross-reference plans uniquely. Although there are in fact two “employees” Medstat can only designate the planholder as an employee. Therefore, the cross-referenced spouse is considered a dependent and all claims and utilization data related to them is counted as a “member”.
- “Member” includes all employees plus any dependents that are covered through the KEHP. Members may also be referred to as “covered lives”.
- “Group” is Kentucky Retirement System (KRS), Kentucky Teachers Retirement System (KTRS), State Employees, School Boards, or Other (includes: COBRA, Health Departments, KCTCS, Quasi/Local Governments).
- “Plan” is Commonwealth Essential, Commonwealth Enhanced, Commonwealth Premier, HMO Option A, HMO Option B, POS Option A, POS Option B, PPO Option A, PPO Option B, or EPO Option C.
- “Carrier” may be Aetna, Anthem, Bluegrass Family Health, CHA Health, United Healthcare, or Humana (please note that Express Scripts data is designated as Humana).
- “Generic Efficiency” means the number of prescriptions that are filled with a generic product as a percentage of the total number of prescriptions where a generic is available.
- “OOP” is the amount paid out-of-pocket by the member for facility, professional, and prescription drug services. This generally includes coinsurance, co-payment, and deductible amounts.
- “Allowed Amount” is the amount of submitted charges eligible for payment for all claims. It is the amount eligible after applying pricing guidelines, but before deducting third party, co-payment, coinsurance, or deductible amounts.
- “Net Payment” is the net amount paid for all claims. It represents the amount after all pricing guidelines have been applied, and all third party, co-payment, coinsurance, and deductible amounts have been subtracted.
- “Patients” is the unique count of members who received facility, professional, or pharmacy services.
- “Days Supply” is the number of days for which drugs were supplied for prescriptions filled. It represents the number of days of drug therapy covered by a prescription.
- “Mail Order” is computed as any script filled with a “days supply” of more than 30 days, regardless of the physical location where the prescription was filled.
- “Retail” is computed as any script filled with a “days supply” of 30 days or less, regardless of the physical location where the prescription was filled.

## Enrollment

The following details planholder enrollment (contracts) for 2004, 2005, and from January 2006 through May 2006. Enrollment will fluctuate on a monthly basis. (Note: There have been approximately 7,000 cross-referenced spouses in any given month that are not included in the following chart.)



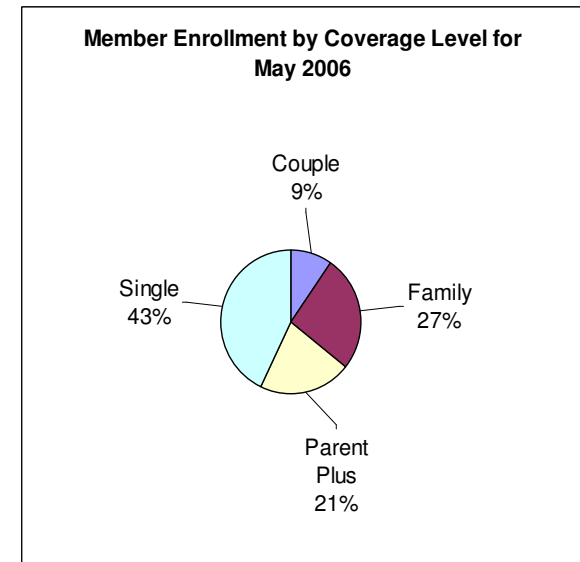
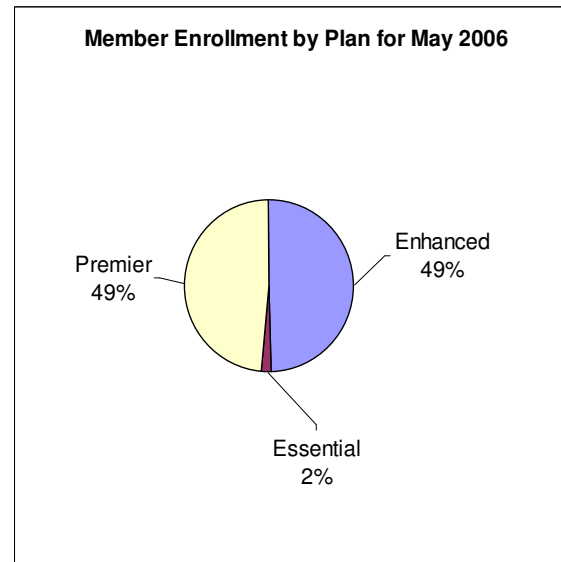
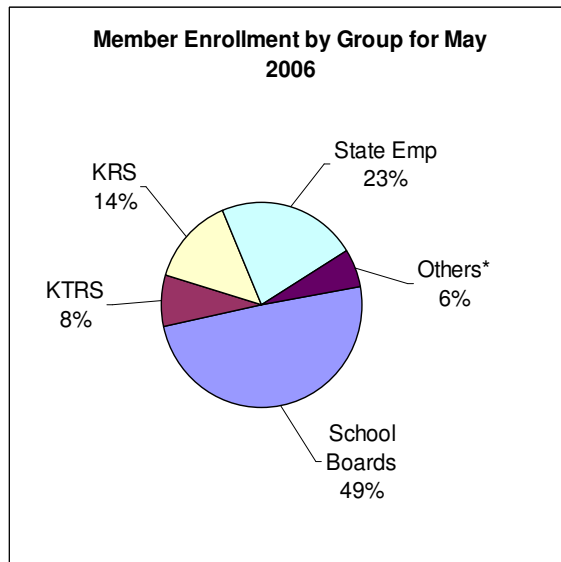
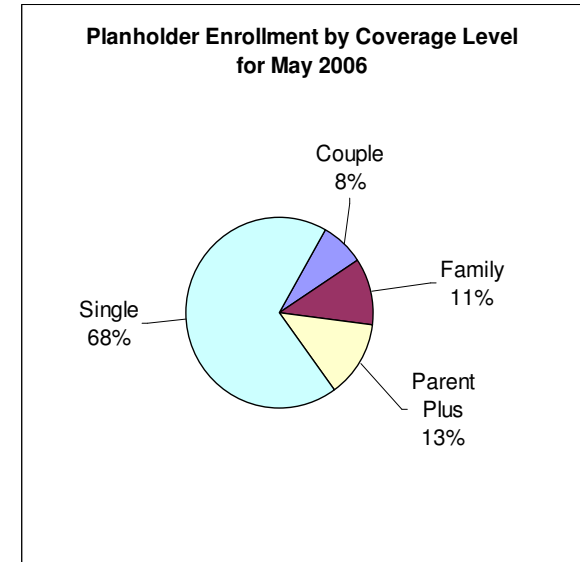
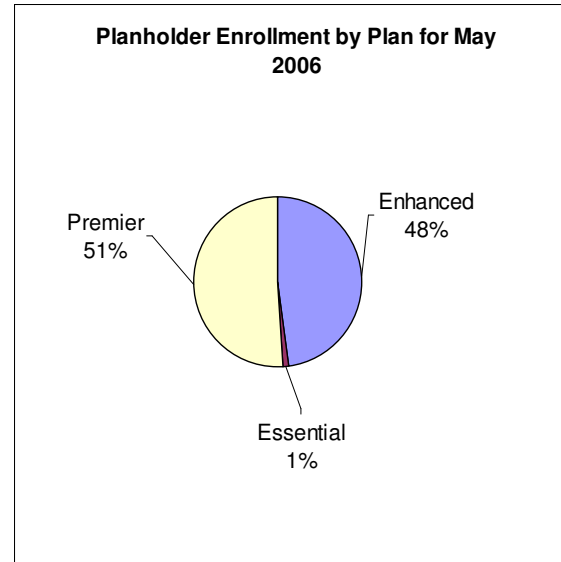
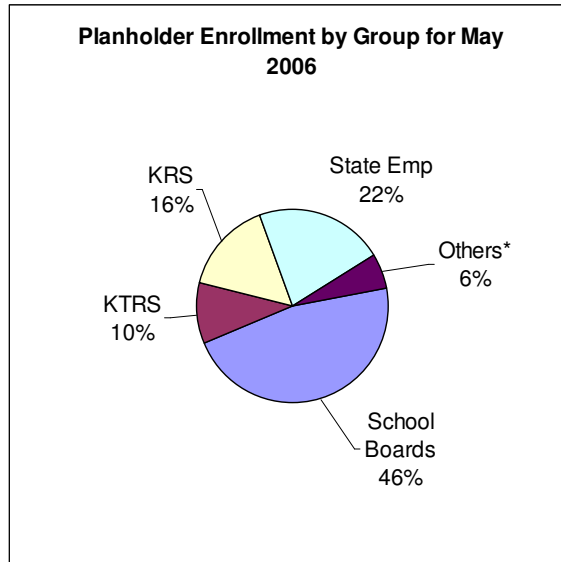
The following details member enrollment (covered lives for 2004, 2005, and from January 2006 through May 2006. Enrollment will fluctuate on a monthly basis.



The following shows the number of cross-reference spouses for 2004, 2005, and by month from January 2006 to May 2006. Number of Cross-Reference Spouses will fluctuate on a monthly basis.

Time Period	Number of Cross-Reference Spouses
Avg - 2004	5,004
Avg - 2005	7,020
Jan-06	7,075
Feb-06	7,072
Mar-06	7,084
Apr-06	7,104
May-06	7,097

The following displays Planholder and Member enrollment by group, plan, and coverage level for May, 2006.

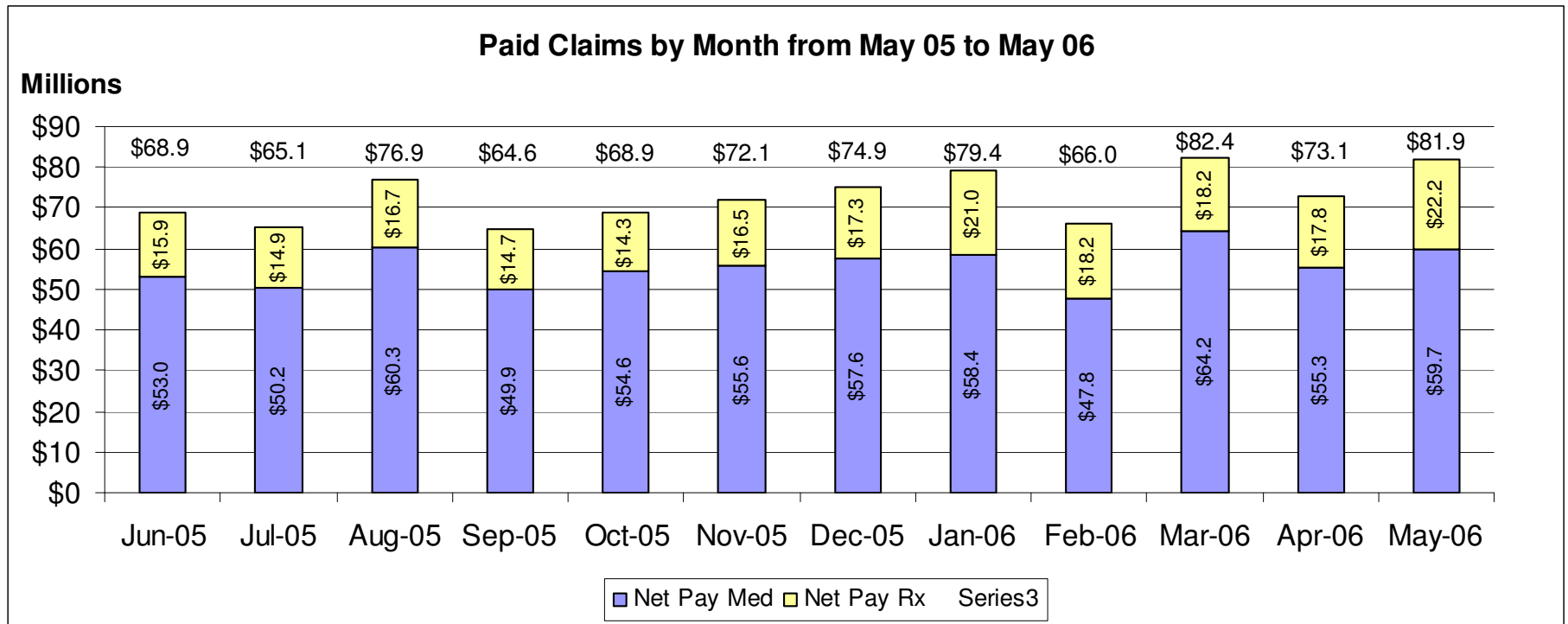


\* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).



## Paid Claims

Paid claims, including Medical and Prescription (Rx) for the rolling year June 2005 through May 2006.



NOTE: Includes run out data from all Carriers

The following represents paid medical claims only (does not include RX) by Group for 2004, 2005, and by month from January 2006 to May 2006.

	School Boards	KTRS	KRS	State Employees	Others*	Totals
2004	\$245,815,738.68	\$69,969,136.76	\$105,255,974.77	\$124,503,945.35	\$42,548,438.47	\$588,093,234.03
2005	\$258,844,484.96	\$80,374,988.24	\$121,128,497.42	\$126,716,914.91	\$45,186,517.48	\$632,251,403.01
Jan-06	\$24,660,274.41	\$7,373,044.18	\$11,083,554.25	\$11,502,344.00	\$3,812,428.26	\$58,431,645.10
Feb-06	\$19,686,395.07	\$6,072,173.87	\$9,271,053.10	\$9,731,364.73	\$3,039,816.20	\$47,800,802.97
Mar-06	\$25,089,116.41	\$8,654,426.58	\$12,914,782.78	\$13,317,320.88	\$4,246,508.35	\$64,222,155.00
Apr-06	\$22,735,935.80	\$6,747,621.67	\$10,922,408.56	\$11,200,103.34	\$3,666,740.21	\$55,272,809.58
May-06	\$23,491,186.45	\$7,669,257.41	\$12,048,132.08	\$12,872,586.56	\$3,661,735.72	\$59,742,898.22

\* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

The following represents Rx claims only (does not include medical) by Group for 2004, 2005, and by month from January 2006 to May 2006.

	School Boards	KTRS	KRS	State Employees	Others*	Total RX
2004	\$65,913,498.34	\$24,809,479.17	\$35,070,707.06	\$32,698,564.23	\$10,888,785.09	\$169,381,033.89
2005	\$68,747,733.54	\$26,609,390.92	\$39,274,316.22	\$33,669,740.83	\$11,522,599.31	\$179,823,780.82
Jan-06	\$8,296,786.26	\$3,122,893.25	\$4,507,796.51	\$3,772,350.62	\$1,265,753.51	\$20,965,580.15
Feb-06	\$7,194,637.84	\$2,602,240.70	\$4,036,004.41	\$3,371,977.08	\$1,036,301.57	\$18,241,161.60
Mar-06	\$7,267,185.02	\$2,638,502.15	\$3,918,018.71	\$3,352,339.79	\$1,023,560.49	\$18,199,606.16
Apr-06	\$7,004,756.51	\$2,607,753.63	\$3,921,622.02	\$3,241,137.08	\$1,013,691.86	\$17,788,961.10
May-06	\$8,672,210.70	\$3,298,209.55	\$4,915,388.74	\$4,012,583.85	\$1,299,242.68	\$22,197,635.52

\* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

The following represents paid medical claims only (does not include RX) by Plan for 2004, 2005, and by month from January 2006 to May 2006.

Time Period	Commonwealth Enhanced	Commonwealth Essential	Commonwealth Premier	HMO*	POS*	PPO*	EPO Option C	Missing*	Total
2004	\$270,911.47	\$88,115.97	\$588,559.66	\$218,321,077.42	\$43,001,084.64	\$317,503,275.65	\$5,617,870.71	\$2,702,338.51	\$588,093,234.03
2005	\$201,357,925.32	\$5,090,096.70	\$361,566,064.72	\$22,828,799.67	\$4,095,661.28	\$33,161,703.65	\$530,925.25	\$3,620,226.42	\$632,251,403.01
Jan-06	\$22,135,588.21	\$534,881.62	\$35,354,199.18	-\$5,304.02	\$39,194.04	\$88,795.93	\$2.07	\$284,288.07	\$58,431,645.10
Feb-06	\$17,712,666.65	\$306,977.77	\$29,737,309.66	-\$122,292.39	\$11,863.50	\$9,487.49	\$230.27	\$144,560.02	\$47,800,802.97
Mar-06	\$23,740,520.84	\$491,269.85	\$39,795,509.23	-\$50,966.95	\$264.72	\$25,705.15	\$312.44	\$219,539.72	\$64,222,155.00
Apr-06	\$20,656,521.23	\$433,087.99	\$33,953,512.66	-\$1,367.98	(\$788.63)	(\$26,613.18)	\$56.91	\$258,400.58	\$55,272,809.58
May-06	\$22,211,941.68	\$417,540.90	\$36,961,071.76	-\$63,139.63	(\$12,681.19)	(\$208.11)	\$0.00	\$228,372.81	\$59,742,898.22

\*HMO = HMO Option A plus HMO Option B

POS = POS Option A plus POS Option B

PPO= PPO Option A plus PPO Option B

\*Missing means the claims could not be tagged to a specific plan.

The following represents paid RX claims only (does not include medical) by plan for 2004, 2005, and by month from January 2006 to May 2006.

Time Period	Commonwealth Enhanced	Commonwealth Essential	Commonwealth Premier	HMO*	POS*	PPO*	EPO Option C	Missing*	Total
2004	\$45,371.59	\$2,286.22	\$75,207.96	\$59,212,956.73	\$13,528,963.93	\$95,581,268.70	\$687,588.16	\$247,390.60	\$169,381,033.89
2005	\$63,665,379.60	\$1,319,371.59	\$113,797,221.26	\$174,632.56	\$64,329.25	\$315,713.06	\$2,461.52	\$484,671.98	\$179,823,780.82
Jan-06	\$7,489,622.42	\$116,832.95	\$13,311,311.99	\$0.00	\$0.00	\$0.00	\$0.00	\$47,812.79	\$20,965,580.15
Feb-06	\$6,620,461.23	\$94,132.37	\$11,442,299.97	\$0.00	\$0.00	\$0.00	\$0.00	\$84,268.03	\$18,241,161.60
Mar-06	\$6,672,143.18	\$94,172.33	\$11,354,582.99	\$0.00	\$0.00	\$0.00	\$0.00	\$78,707.66	\$18,199,606.16
Apr-06	\$6,392,295.13	\$86,742.92	\$11,229,539.38	\$0.00	\$0.00	\$0.00	\$0.00	\$80,383.67	\$17,788,961.10
May-06	\$8,017,310.71	\$106,995.68	\$13,980,843.56	\$0.00	\$0.00	\$0.00	\$0.00	\$92,485.57	\$22,197,635.52

\*HMO = HMO Option A plus HMO Option B

POS = POS Option A plus POS Option B

PPO= PPO Option A plus PPO Option B

\*Missing means the claims could not be tagged to a specific plan.

The following represents paid medical claims only (does not include RX) by Carrier for 2004, 2005, and by month from January 2006 to May 2006.

Time Period	Anthem	Bluegrass Family Health	CHA Health	Humana	United Healthcare	~Missing*	Total
2004	\$5,719,266.57	\$218,994,759.10	\$143,779,177.46	\$216,687,485.39	\$210,207.00	\$2,702,338.51	\$588,093,234.03
2005	\$81,288,293.23	\$228,684,951.18	\$122,486,257.90	\$19,621,629.07	\$176,550,045.21	\$3,620,226.42	\$632,251,403.01
Jan-06	\$6,600,479.01	\$17,049,225.65	\$7,907,143.22	\$16,355,563.79	\$10,234,945.36	\$284,288.07	\$58,431,645.10
Feb-06	\$1,712,256.05	\$2,883,326.44	\$2,112,991.60	\$38,857,829.38	\$2,089,839.48	\$144,560.02	\$47,800,802.97
Mar-06	\$529,811.80	\$1,783,919.70	\$1,094,034.02	\$59,444,507.86	\$1,150,341.90	\$219,539.72	\$64,222,155.00
Apr-06	\$150.25	\$966,279.35	\$612,143.67	\$53,435,346.90	\$488.83	\$258,400.58	\$55,272,809.58
May-06	(\$77.29)	\$408,123.86	\$228,508.94	\$58,876,949.85	\$1,020.05	\$228,372.81	\$59,742,898.22

\*Missing means the claims could not be tagged to a specific Carrier.

The following represents paid Rx claims only (does not include medical) by Carrier for 2004, 2005, and by month from January 2006 to May 2006.

Time Period	Anthem	Bluegrass Family Health	CHA Health	Humana	United Healthcare	~Missing*	Total
2004	\$661,696.47	\$61,325,382.73	\$42,469,292.65	\$64,644,694.96	\$32,576.48	\$247,390.60	\$169,381,033.89
2005	\$27,025,841.27	\$67,495,784.72	\$32,484,359.96	\$237,214.68	\$52,095,908.21	\$484,671.98	\$179,823,780.82
Jan-06	\$1,302,347.60	\$26,547.63	\$1,509,893.88	\$17,897,897.06	\$181,081.19	\$47,812.79	\$20,965,580.15
Feb-06	\$302,663.61	\$2,822.58	\$1,680.55	\$17,852,313.77	(\$2,586.94)	\$84,268.03	\$18,241,161.60
Mar-06	\$474.27	\$618.26	(\$519.22)	\$18,122,974.24	(\$2,649.05)	\$78,707.66	\$18,199,606.16
Apr-06	\$434.39	\$523.53	\$0.00	\$17,708,583.25	(\$963.74)	\$80,383.67	\$17,788,961.10
May-06	\$0.00	\$1,295.92	\$1,240.53	\$22,102,613.50	\$0.00	\$92,485.57	\$22,197,635.52

\*Missing means the claims could not be tagged to a specific Carrier.

The following represents paid medical claims only (does not include Rx) by Coverage Level for 2004, 2005, and by month from January 2006 to May 2006.

Time Period	Couple	Family	Parent Plus	Single	Unknown*	Total
2004	\$79,271,321.94	\$102,337,805.74	\$85,540,624.62	\$318,241,026.53	\$2,702,455.20	\$588,093,234.03
2005	\$88,462,292.44	\$118,518,975.49	\$88,132,024.56	\$333,517,492.71	\$3,620,617.81	\$632,251,403.01
Jan-06	\$7,560,701.47	\$10,783,878.57	\$8,029,167.96	\$31,773,609.03	\$284,288.07	\$58,431,645.10
Feb-06	\$6,870,360.15	\$8,489,999.31	\$5,951,724.74	\$26,344,158.75	\$144,560.02	\$47,800,802.97
Mar-06	\$9,473,051.17	\$11,724,325.19	\$7,488,586.23	\$35,316,652.69	\$219,539.72	\$64,222,155.00
Apr-06	\$7,943,181.15	\$10,498,797.18	\$6,812,633.85	\$29,759,796.82	\$258,400.58	\$55,272,809.58
May-06	\$9,142,350.20	\$10,610,372.55	\$7,757,324.92	\$32,004,477.74	\$228,372.81	\$59,742,898.22

\* Unable to tag claims to a specific coverage level.

The following represents paid Rx claims only (does not include Medical) by Coverage Level for 2004, 2005, and by month from January 2006 to May 2006.

Time Period	Couple	Family	Parent Plus	Single	Unknown*	Total
2004	\$26,171,395.70	\$29,915,211.98	\$19,166,598.20	\$93,880,437.41	\$247,390.60	\$169,381,033.89
2005	\$28,388,100.69	\$33,626,561.45	\$18,858,014.18	\$98,466,131.55	\$484,972.95	\$179,823,780.82
Jan-06	\$3,439,332.52	\$3,820,033.99	\$2,252,778.63	\$11,405,622.22	\$47,812.79	\$20,965,580.15
Feb-06	\$3,031,976.78	\$3,344,259.76	\$1,992,739.29	\$9,787,917.74	\$84,268.03	\$18,241,161.60
Mar-06	\$2,897,754.33	\$3,389,224.49	\$2,029,897.01	\$9,804,022.67	\$78,707.66	\$18,199,606.16
Apr-06	\$2,884,673.28	\$3,219,210.77	\$1,891,380.36	\$9,713,313.02	\$80,383.67	\$17,788,961.10
May-06	\$3,613,343.90	\$4,026,598.92	\$2,303,763.33	\$12,161,443.80	\$92,485.57	\$22,197,635.52

\* Unable to tag claims to a specific coverage level.

## Medical Claims Utilization

The following is based on medical claims (does not include Rx) incurred from January 2006 to February 2006. (Note: Services are tracked by each service, not by each visit. Therefore if two laboratory services are performed at one visit, it will count as two services.)

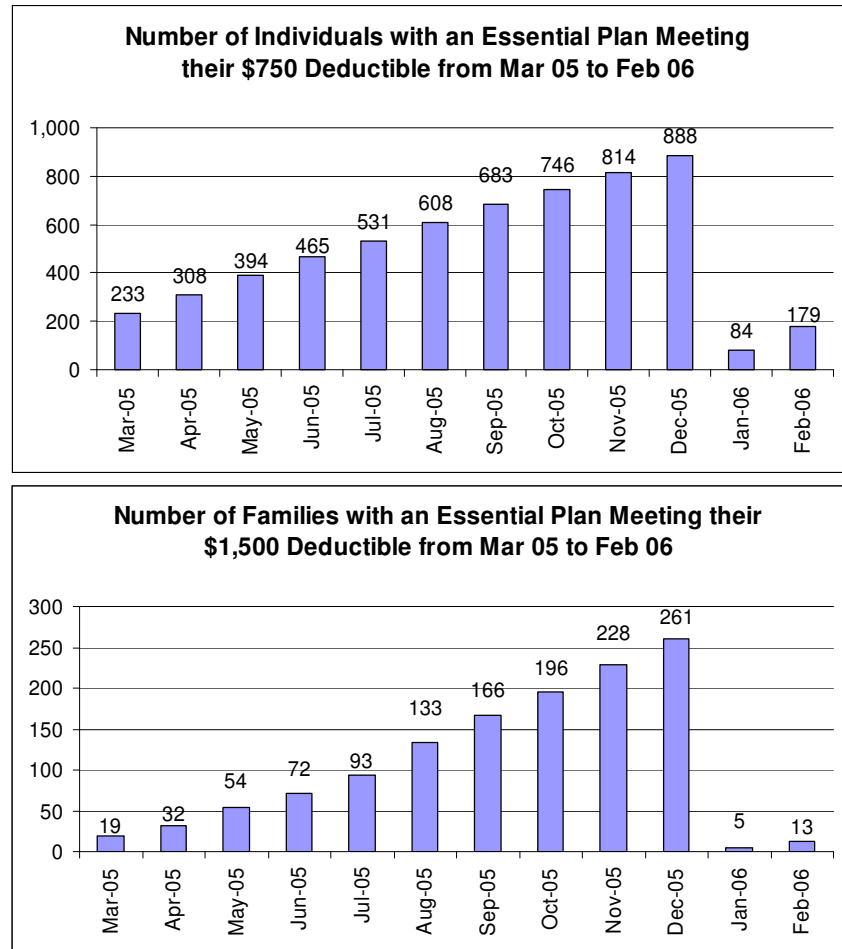
Plans	Number of Hospital Admits per 1000 Members	Average Length of Stay per Admission	Total Admission Days Per 1000 Members	Office Visits per 1000 Members	ER Visits Per 1000 Members	Outpatient Laboratory Services Per 1000 Members	Outpatient Radiology Services Per 1000 Members
Commonwealth Enhanced	60.32	3.7	223.23	6,747.12	177.25	5,971.30	2,150.48
Commonwealth Essential	49.14	4.89	240.37	3,402.39	148.74	3,332.01	1,224.44
Commonwealth Premier	94.81	4.23	400.73	8,914.59	213.57	8,659.68	3,107.91
~Missing		6					
All Plans	77.31	4.04	312.44	7,759.18	195.02	7,250.65	2,604.97

\*Missing means the claims could not be tagged to a specific plan.

## Analysis of Individuals and Families meeting their Deductible

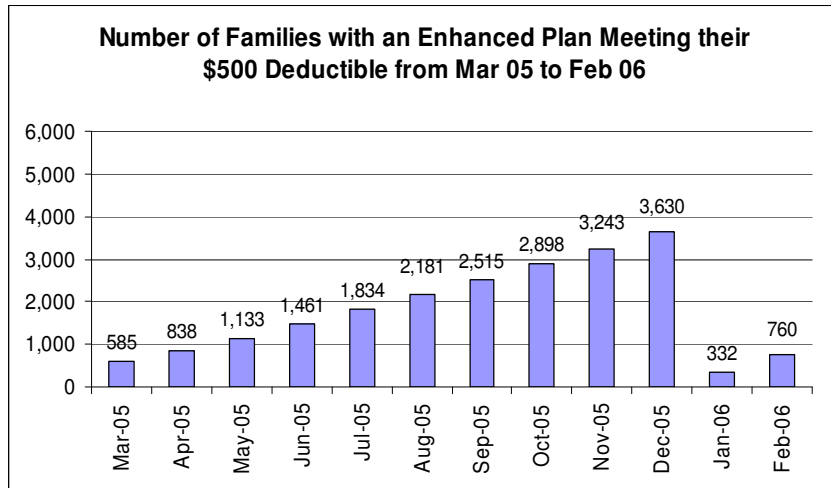
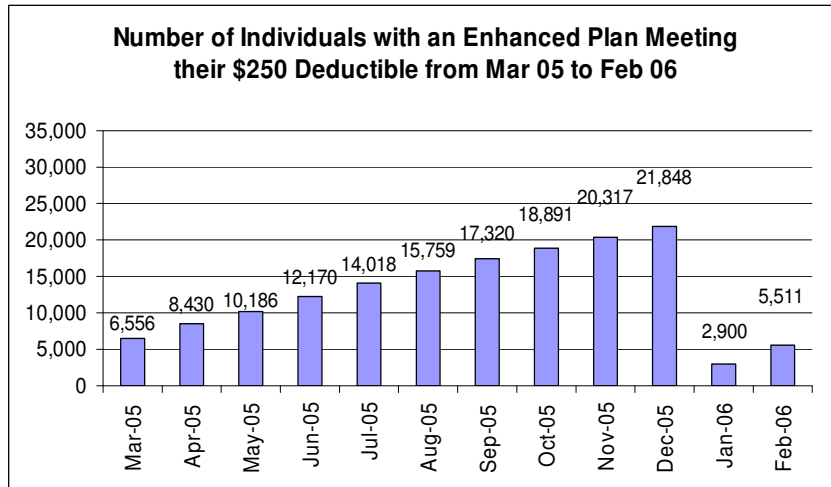
The following details the number of individuals and families by plan, meeting their deductible amounts from Mar 2005 through Feb 2006. The report is based on incurred claims.

### Essential

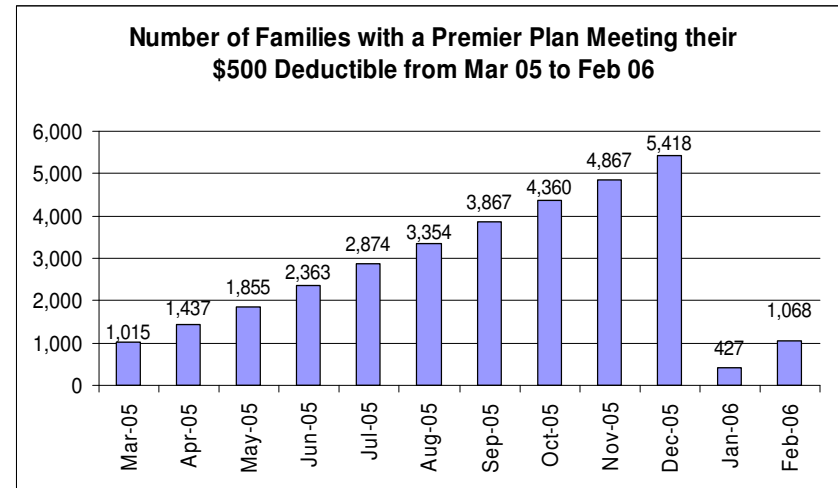
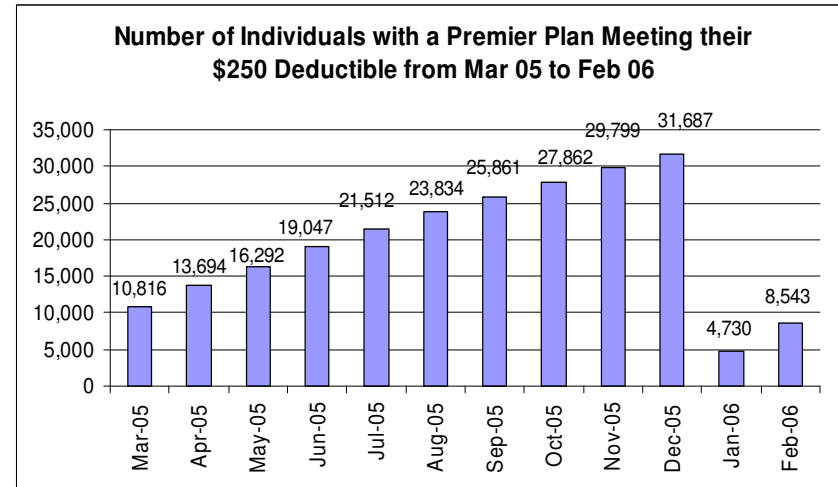


A total of 18.46% of Individuals with an Essential Plan met their deductible while 12.51% of Families met their deductible in 2005.

### Enhanced



### Premier



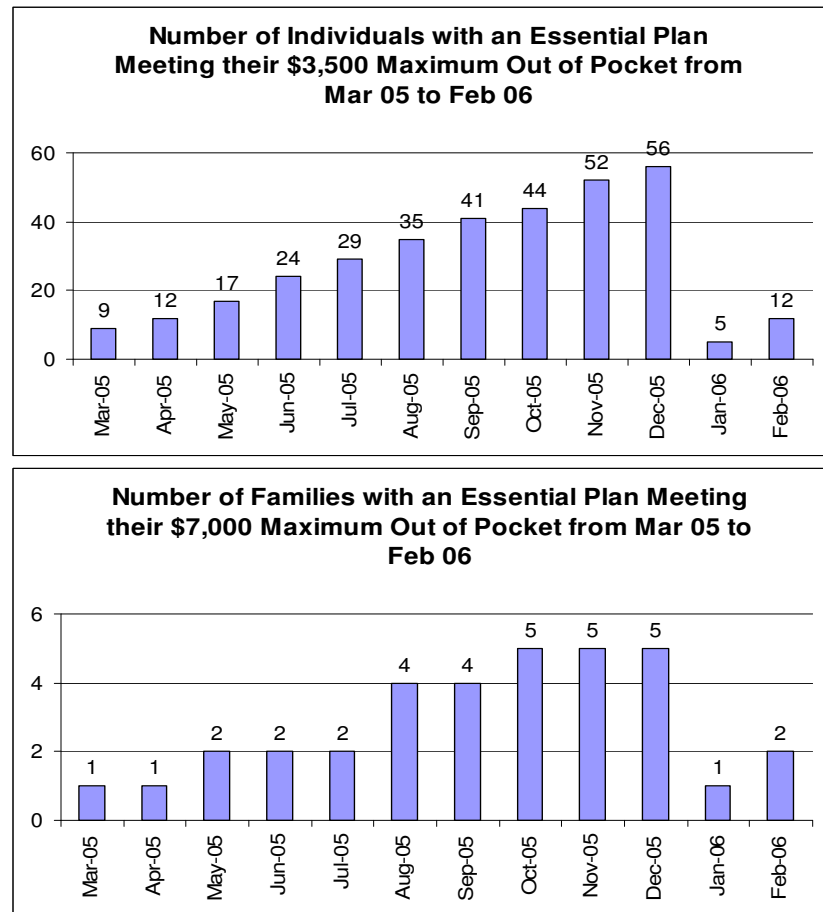
A total of 19.61% of Individuals with an Essential Plan met their deductible while 5.25% of Families met their deductible in 2005.  
A total of 27.88% of Individuals with a Premier Plan met their deductible while 7.07% of Families met their deductible in 2005.



## Analysis of Individuals and Families meeting their Maximum Out of Pocket expenses.

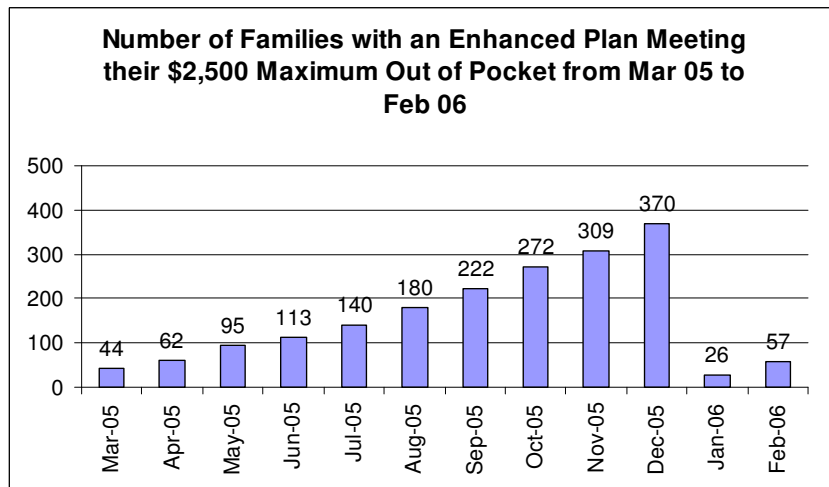
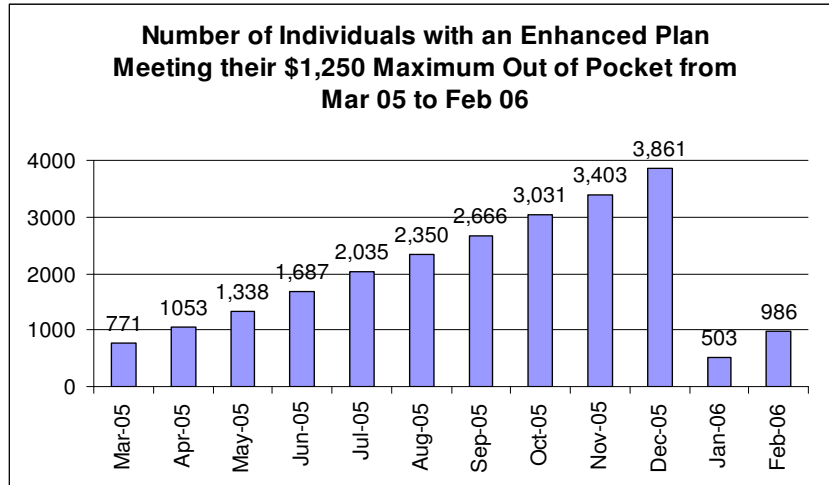
The following details the number of individuals and families by plan, meeting their maximum out of pocket amounts from Mar 2005 through Feb 2006. The report is based on incurred claims.

### Essential

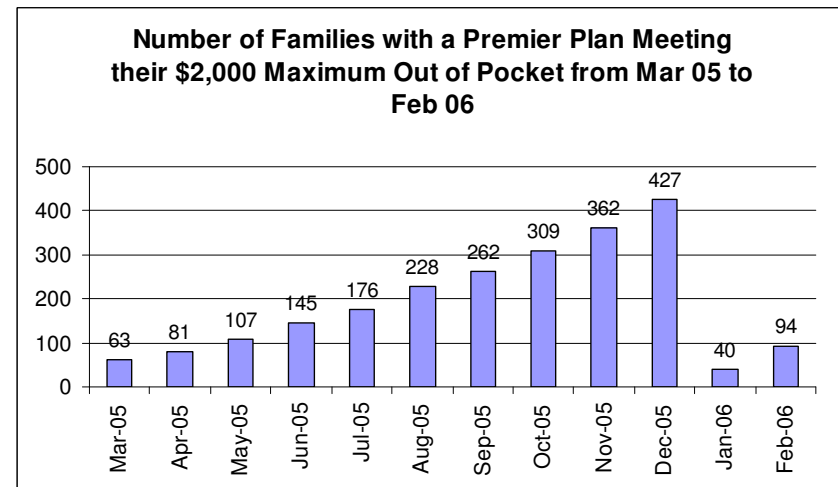
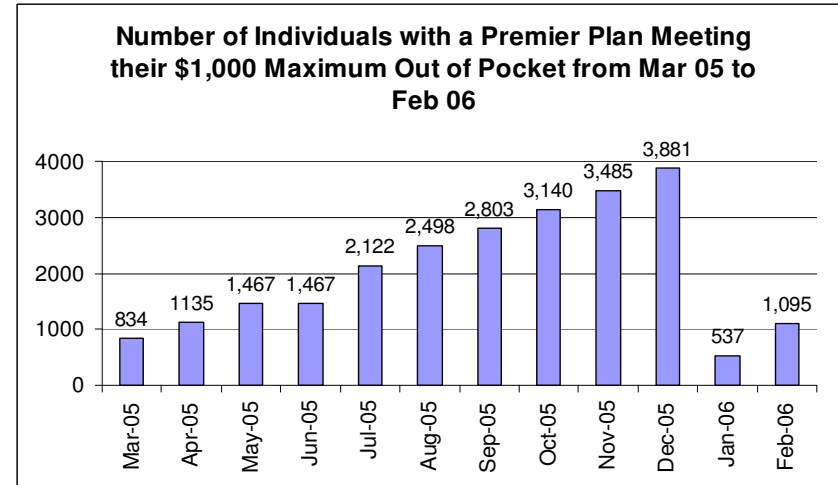


A total of 1.16% of Individuals with an Essential Plan met their Maximum Out of Pocket while 0.24% of Families met their Maximum Out of Pocket in 2005.

### Enhanced



### Premier



A total of 3.47% of Individuals with an Enhanced Plan met their Maximum Out of Pocket while 0.54% of Families met their Maximum Out of Pocket in 2005.

A total of 3.41% of Individuals with a Premier Plan met their Maximum Out of Pocket while 0.56% of Families met their Maximum Out of Pocket in 2005.

## Premium (or Premium Equivalent)

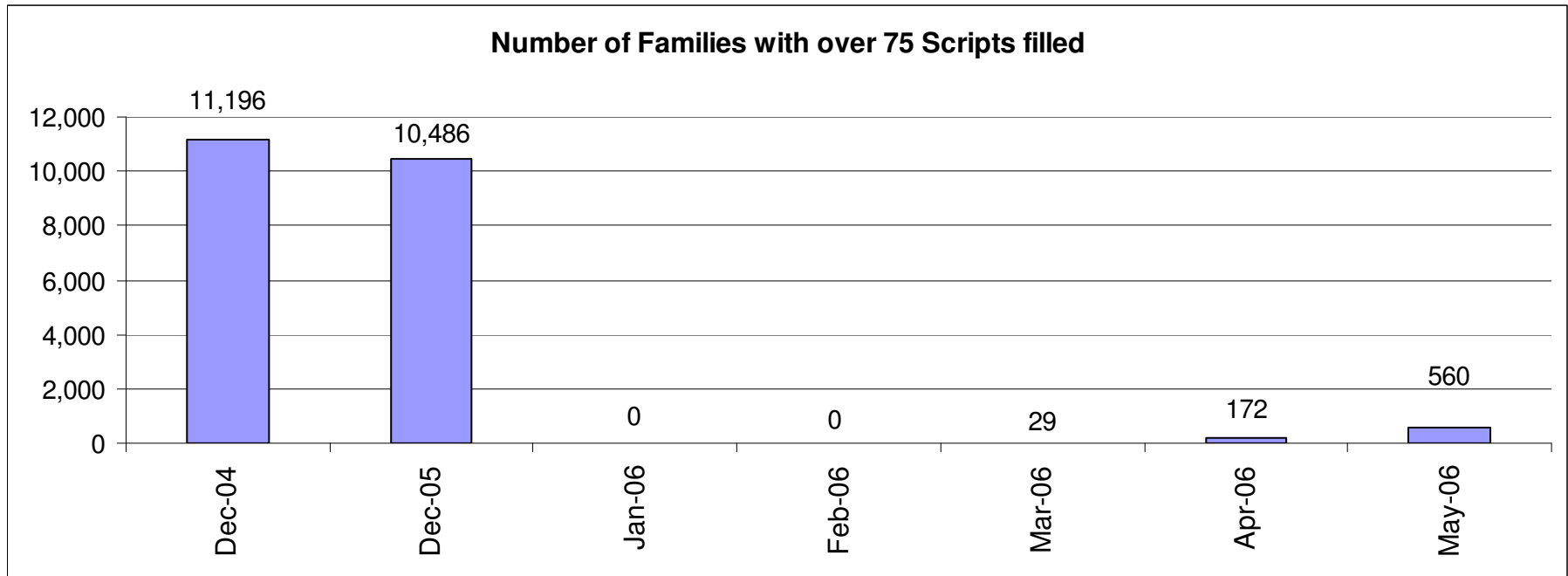
The following details the amount of premium (or premium equivalent) paid by the employee and employer for 2004, 2005, and by month from January 2006 to May 2006.

Time Period	Employee Premium Amount	Employer Premium Amount	Total Premium Amount
Total 2005	\$143,746,541.83	\$808,691,861.43	\$952,438,403.26
Jan-06	\$12,823,810.13	\$83,835,650.26	\$96,659,460.39
Feb-06	\$12,803,869.97	\$83,884,677.26	\$96,688,547.23
Mar-06	\$12,786,302.31	\$83,730,461.16	\$96,516,763.47
Apr-06	\$12,805,772.22	\$83,729,703.81	\$96,535,476.03
May-06	\$12,791,951.97	\$83,656,429.10	\$96,448,381.07

***NOTE: Premium (or premium equivalent) is based on enrollment using published premium rates – it is NOT based on actual payments received!***

## Prescription Drug Utilization

The following details the number of families that have purchased 75 scripts or more during 2004, 2005, and from January 2006 through May 2006. After a family has filled 75 prescriptions the co-payment was reduced to \$10 for 2<sup>nd</sup> tier and \$20 for 3<sup>rd</sup> tier.



The following details the type of prescription filled, the % that were generic, and the generic efficiency rate from June 2005 to May 2006. The generic percentage rate and generic efficiency rate increased in 2006.

	Generic	Brand Name, Generic Available	Brand Name	Other*	Total	Scripts Rx % Generic	Scripts Generic Efficiency Rx
Jun-05	173,964	16,830	157,989	7,540	356,323	48.82%	91.18%
Jul-05	158,603	15,567	141,931	7,234	323,335	49.05%	91.06%
Aug-05	179,657	17,137	159,440	8,682	364,916	49.23%	91.29%
Sep-05	156,613	14,403	142,306	7,283	320,605	48.85%	91.58%
Oct-05	151,095	13,499	130,651	7,093	302,338	49.98%	91.80%
Nov-05	176,868	15,194	155,223	8,040	355,325	49.78%	92.09%
Dec-05	185,692	15,325	156,309	8,963	366,289	50.70%	92.38%
Jan-06	220,006	17,192	176,389	9,315	422,902	52.02%	92.75%
Feb-06	187,305	13,261	148,658	9,067	358,291	52.28%	93.39%
Mar-06	191,705	12,942	151,177	7,035	362,859	52.83%	93.68%
Apr-06	182,274	12,522	142,344	6,479	343,619	53.05%	93.57%
May-06	224,220	14,934	174,351	8,788	422,293	53.10%	93.76%

\*Includes: Over the Counter (usually includes items such as diabetic supplies, syringes, test strips, etc.), Other/Unavailable, or Missing (unable to tag to a specific group).

The following details the number of members and patients utilizing prescription benefits and the associated costs from June 2005 to May 2006.

	Members	Patients	Scripts	Scripts Per Member	Scripts Per Patient	Allow Amt Per Script*	Net Pay Per Script	Average out of pocket cost per member	Average out of pocket cost per patient
Jun-05	229,256	137,149	356,323	1.55	3.21	\$59.82	\$44.60	\$23.61	\$39.46
Jul-05	229,228	132,814	323,335	1.41	3.00	\$61.39	\$46.15	\$21.46	\$37.04
Aug-05	227,528	141,299	364,916	1.60	3.22	\$60.80	\$45.71	\$24.14	\$38.86
Sep-05	228,123	134,520	320,605	1.41	2.96	\$60.69	\$45.85	\$20.83	\$35.32
Oct-05	233,058	135,417	302,338	1.30	2.86	\$62.28	\$47.18	\$19.54	\$33.63
Nov-05	233,617	141,955	355,325	1.52	3.08	\$60.67	\$46.30	\$21.83	\$35.92
Dec-05	234,180	141,256	366,289	1.56	3.17	\$61.34	\$47.30	\$21.92	\$36.33
Jan-06	234,184	154,314	422,902	1.81	3.34	\$61.52	\$49.58	\$21.54	\$32.70
Feb-06	234,341	148,104	358,291	1.53	2.88	\$62.58	\$50.91	\$17.84	\$28.22
Mar-06	234,253	153,697	362,859	1.55	2.89	\$61.81	\$50.16	\$18.05	\$27.51
Apr-06	234,623	147,117	343,619	1.46	2.84	\$63.48	\$51.77	\$17.15	\$27.36
May-06	234,631	153,482	422,293	1.80	3.23	\$64.25	\$52.56	\$21.02	\$32.14

\* "Allow Amt" is the amount of submitted charges eligible for payment for all claims. It is the amount eligible after applying pricing guidelines, but before deducting third party, co-payment, coinsurance, or deductible amounts.

The following top 25 drug analysis is based on Rx claims incurred from January 2006 to February 2006.

Product Name	Total Rx Payments	Net Pay Rx as % of All Drugs	Number of Scripts	Net Pay Per Day Supply Rx	Number of members receiving an RX
ZOCOR	\$1,985,337	5.36%	13,638	\$3.84	9,545
NEXIUM	\$1,108,955	3.00%	7,039	\$4.34	4,768
SINGULAIR	\$798,502	2.16%	8,983	\$2.53	6,227
PREVACID	\$776,460	2.10%	4,983	\$4.39	3,387
EFFEXOR-XR	\$710,072	1.92%	5,891	\$3.61	3,595
ZOLOFT	\$652,384	1.76%	8,111	\$2.36	5,393
WELLBUTRIN XL	\$594,995	1.61%	4,686	\$3.71	3,085
ENBREL	\$589,681	1.59%	395	\$50.92	251
AVANDIA	\$558,448	1.51%	3,954	\$4.02	2,521
PLAVIX	\$531,959	1.44%	4,124	\$3.64	2,556
PROTONIX	\$525,401	1.42%	5,307	\$2.83	3,669
CRESTOR	\$502,415	1.36%	6,031	\$2.27	4,188
LEXAPRO	\$490,516	1.33%	7,678	\$1.89	5,137
VYTORIN	\$471,236	1.27%	5,940	\$2.15	4,060
TOPAMAX	\$456,934	1.23%	2,043	\$6.74	1,360
FEXOFENADINE HCL	\$436,066	1.18%	7,808	\$1.72	5,704
ACTOS	\$429,256	1.16%	2,939	\$4.06	1,899
LEVAQUIN	\$370,557	1.00%	4,129	\$9.89	3,786
LOTREL	\$360,157	0.97%	4,367	\$2.38	2,701
AZITHROMYCIN	\$350,906	0.95%	11,731	\$6.14	10,997
LIPITOR	\$345,976	0.93%	4,309	\$2.07	3,135
ADVAIR DISKUS 250/50	\$332,978	0.90%	1,995	\$4.73	1,584
CELEBREX	\$322,244	0.87%	2,658	\$3.32	1,927
TRICOR	\$320,019	0.86%	3,481	\$2.58	2,224
FLONASE	\$306,346	0.83%	4,489	\$2.05	3,860

In summary the top 25 drugs represent 18% of the total scripts and over 38% of total Rx expenditures.

Summary	Total Rx Payments	Number of Scripts	Days Supply Rx
Top Drugs	\$14,327,800	136,709	4,360,021
All Product Names	\$37,010,412	727,758	20,598,522
Top Drugs as % of All Drugs	38.71%	18.78%	21.17%

## Utilization

The top 25 clinical conditions based on “incurred claims” from January 2006 to February 2006 are detailed below. (Note: Total Medical Payments represents only the payments made for the specified condition.)

Clinical Conditions	Total Medical Payments	Medical Payments Inpatient	Medical Payments Outpatient	Admissions per 1000 Members	Average Length of Stay per Admission	Office Visits Per 1000 Members	ER Visits Per 1000 Members	Number of Patients	Net Pay Per Patient Medical
“Other” conditions not otherwise categorized*	\$5,894,870.21	\$957,501.54	\$4,909,769.61	2.71	6.99	301.73	11.65	16,521	\$356.81
Coronary Artery Disease	\$5,683,619.18	\$3,748,129.19	\$1,935,163.12	5.25	3.12	66.53	3.12	2,319	\$2,450.89
Respiratory Disord, NEC	\$5,498,984.00	\$1,568,711.97	\$3,930,195.80	3.02	2.46	127.18	16.36	6,325	\$869.40
Prevent/Admin Hlth Encounters	\$4,561,834.53	\$11,310.28	\$4,549,751.11	0.03	1	544.79	0.54	26,171	\$174.31
Gastroint Disord, NEC	\$4,321,515.96	\$717,019.80	\$3,604,161.96	2.02	3.81	157.14	14.73	7,220	\$598.55
Spinal/Back Disorders, NEC	\$3,834,899.96	\$899,297.60	\$2,932,187.80	1.38	2.72	577.88	4.71	9,237	\$415.17
Arthropathies/Joint Disord NEC	\$3,247,744.21	\$283,744.60	\$2,955,360.94	0.74	3.03	620.24	5.63	13,057	\$248.74
Osteoarthritis	\$2,974,888.46	\$1,764,376.22	\$1,207,392.73	2.46	3.55	176.99	0.31	4,400	\$676.11
Infections - ENT Ex Otitis Med	\$2,470,096.91	\$101,868.98	\$2,368,087.19	0.54	2.52	725.59	12.45	25,491	\$96.90
Pregnancy w Vaginal Delivery	\$1,958,367.42	\$1,940,448.59	\$17,918.83	5.12	2.27	0.97	0	353	\$5,547.78
Cancer - Breast	\$1,812,037.68	\$66,432.54	\$1,745,605.14	0.23	3	48.09	0.05	914	\$1,982.54
Cholecystitis/Cholelithiasis	\$1,675,594.21	\$599,127.39	\$1,076,466.82	1.87	3.52	7.45	1.38	498	\$3,364.65
Hypertension, Essential	\$1,674,387.92	\$458,022.18	\$1,216,311.71	0.79	4.45	331.54	1.84	12,716	\$131.68
Chemotherapy Encounters	\$1,544,625.63	\$279,036.83	\$1,265,588.80	0.38	4.27	0.87	0	128	\$12,067.39
Nutritional Disorders, NEC	\$1,390,480.40	\$306,926.09	\$1,082,710.31	0.92	5.11	206.57	1.69	10,903	\$127.53
Hernia/Reflux Esophagitis	\$1,346,760.32	\$274,679.95	\$1,072,080.37	0.74	3.69	52.14	1.28	2,435	\$553.08
Gynecological Disord, NEC	\$1,292,153.93	\$161,047.75	\$1,131,103.73	0.69	1.89	77.31	1.23	3,910	\$330.47



Clinical Conditions	Total Medical Payments	Medical Payments Inpatient	Medical Payments Outpatient	Admissions per 1000 Members	Average Length of Stay per Admission	Office Visits Per 1000 Members	ER Visits Per 1000 Members	Number of Patients	Net Pay Per Patient Medical
Cardiac Arrhythmias	\$1,262,652.06	\$686,235.18	\$576,319.87	1.13	3.75	35.14	2	1,370	\$921.64
Infec/Inflam - Skin/Subcu Tiss	\$1,255,677.27	\$281,470.37	\$968,108.08	0.97	4.34	211.25	3.33	7,411	\$169.43
Condition Rel to Tx - Med/Surg	\$1,232,129.34	\$839,023.38	\$393,105.96	1.84	5.51	5.4	1.38	458	\$2,690.24
ENT Disorders, NEC	\$1,219,005.40	\$26,628.30	\$1,192,245.61	0.2	2.75	579.9	2.07	9,169	\$132.95
Diabetes	\$1,176,332.61	\$227,070.27	\$941,602.74	0.64	4	187.85	1.2	6,841	\$171.95
Urinary Tract Calculus	\$1,079,061.16	\$190,934.07	\$888,127.09	0.97	2.53	12.57	3.56	577	\$1,870.12
Infections - Respiratory, NEC	\$1,048,840.94	\$192,503.63	\$856,277.33	0.69	3.07	226.23	6.68	8,589	\$122.11
Headache, Migraine/Muscle Tens	\$1,043,991.72	\$128,686.34	\$915,305.38	0.56	3.86	92.71	9.04	3,078	\$339.18

\*Based on ICD-9 codes that could not be attributed to any other condition.

In summary the top 25 clinical conditions represent over 58% of total paid claims for all clinical conditions.

Summary	Total Medical Payments	Medical Payments Inpatient	Medical Payments Outpatient	Admissions Per 1000 Members	Average Length of Stay per Admission	Office Visits Per 1000 Members	ER Visits Per 1000 Members
Top Clinical Conditions	\$60,500,551	\$16,710,233	\$43,730,948	35.93	3.56	5,374.07	106.25
All Clinical Conditions	\$102,863,634	\$31,495,414	\$71,186,626	77.31	4.04	7,759.18	195.02
Top Clinical Conditions as % of All Clinical Conditions	58.82%	53.06%	61.43%	46.47%	88.14%	69.26%	54.48%

## Claims Lag Analysis

The following claims lag information is based on medical claims (does not include Rx) incurred from January 2006 to February 2006.

Plans	Number of Medical Claims	Avg Days Lag Per Claim	% Claims Paid Within 30 Days	% Claims Paid Within 60 Days	% Claims Paid Within 90 Days
Commonwealth Enhanced	415,405	20.7	79.99%	91.81%	97.19%
Commonwealth Essential	9,460	25.9	72.33%	87.45%	95.15%
Commonwealth Premier	597,504	20.7	79.87%	92.12%	97.25%
~Missing*	2,448	28.8	66.87%	85.78%	93.55%
All Plans	1,024,817	20.7	79.82%	91.94%	97.20%

\*Missing means the claims could not be tagged to a specific plan.

The following claims lag information is based on all claims (Medical and Rx) incurred and paid since June 2005.

Paid	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05
Incurred						
Jun-05	\$24,977,388	\$35,063,637	\$6,054,348	\$1,968,390	\$1,570,613	\$272,044
Jul-05	N/A	\$20,242,287	\$39,162,517	\$4,709,300	\$2,150,245	\$1,184,157
Aug-05	N/A	N/A	\$26,774,820	\$34,666,259	\$5,664,002	\$1,932,458
Sep-05	N/A	N/A	N/A	\$21,618,768	\$33,910,200	\$5,174,398
Oct-05	N/A	N/A	N/A	N/A	\$24,184,504	\$38,473,429
Nov-05	N/A	N/A	N/A	N/A	N/A	\$23,681,263
Dec-05	N/A	N/A	N/A	N/A	N/A	N/A
Jan-06	N/A	N/A	N/A	N/A	N/A	N/A
Feb-06	N/A	N/A	N/A	N/A	N/A	N/A
Mar-06	N/A	N/A	N/A	N/A	N/A	N/A
Apr-06	N/A	N/A	N/A	N/A	N/A	N/A
May-06	N/A	N/A	N/A	N/A	N/A	N/A

Paid	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06
Incurred						
Jun-05	\$228,805	\$623,890	\$90,294	\$90,631	-\$53,899	-\$6,030
Jul-05	\$414,705	\$162,343	\$205,034	\$50,521	\$100,961	\$38,174
Aug-05	\$1,344,595	\$385,242	\$284,379	\$231,436	\$66,008	\$72,387
Sep-05	\$2,145,625	\$816,131	\$487,305	\$551,701	\$99,853	\$68,243
Oct-05	\$5,465,292	\$2,047,507	\$1,117,209	\$430,244	\$210,460	\$39,536
Nov-05	\$38,498,406	\$4,839,072	\$1,922,761	\$908,620	\$370,492	\$81,331
Dec-05	\$25,805,048	\$35,809,332	\$4,957,617	\$2,461,609	\$389,005	\$358,709
Jan-06	N/A	\$34,335,774	\$23,431,436	\$7,952,052	\$3,044,616	\$2,152,523
Feb-06	N/A	N/A	\$33,503,834	\$27,144,347	\$5,802,213	\$2,507,251
Mar-06	N/A	N/A	N/A	\$42,751,720	\$28,170,351	\$6,467,371
Apr-06	N/A	N/A	N/A	N/A	\$34,493,824	\$28,818,743
May-06	N/A	N/A	N/A	N/A	N/A	\$41,364,672

## Claims Distribution based on Age/Gender

The following is based on claims paid from January 2006 to May 2006.

	Female			Male		
Age Group Medstat	Average Number of Members	Net Pay Medical and Rx	Net Pay Per Member	Average Number of Members	Net Pay Medical and Rx	Net Pay Per Member
Ages < 1	154	\$989,615.65	\$6,409.43	160	\$1,439,659.65	\$8,997.87
Ages 1-4	4,184	\$3,318,077.97	\$793.04	4,313	\$4,760,349.04	\$1,103.62
Ages 5-9	5,659	\$2,278,885.65	\$402.69	5,953	\$2,956,785.16	\$496.69
Ages 10-14	6,422	\$3,012,524.99	\$469.07	6,752	\$2,804,439.49	\$415.32
Ages 15-17	4,492	\$2,569,162.89	\$571.94	4,687	\$3,128,295.22	\$667.38
Ages 18-19	3,138	\$2,192,365.84	\$698.70	3,341	\$1,682,860.89	\$503.64
Ages 20-24	7,038	\$5,958,425.23	\$846.56	6,269	\$2,692,177.00	\$429.44
Ages 25-29	7,895	\$10,349,702.54	\$1,310.95	3,834	\$2,408,534.39	\$628.24
Ages 30-34	8,709	\$12,678,593.16	\$1,455.74	4,704	\$3,753,807.21	\$797.94
Ages 35-39	10,540	\$15,082,208.47	\$1,430.95	5,494	\$5,171,336.56	\$941.24
Ages 40-44	11,677	\$20,088,887.74	\$1,720.35	6,264	\$8,228,624.90	\$1,313.68
Ages 45-49	14,513	\$26,339,636.71	\$1,814.87	7,728	\$12,017,529.36	\$1,555.10
Ages 50-54	17,645	\$37,327,286.49	\$2,115.46	10,312	\$19,917,074.76	\$1,931.52
Ages 55-59	19,486	\$46,732,935.71	\$2,398.26	12,535	\$30,067,018.64	\$2,398.65
Ages 60-64	14,607	\$42,556,615.64	\$2,913.44	9,764	\$29,630,675.57	\$3,034.81
Ages 65-74	3,563	\$11,006,727.28	\$3,089.52	2,600	\$9,722,435.60	\$3,739.97

## Allowed Amount Distribution

The following shows the distribution of members with allowed amount of charges within specified ranges from January 2005 to February 2006. The distribution is based on incurred claims.

Allowed Amount	2005	2006
less than 0.00	1,494	849
\$0.00 - \$499.99	59,765	83,146
\$500.00 - \$999.99	30,365	38,572
\$1,000.00 - \$1,999.99	35,696	36,219
\$2,000.00 - \$4,999.99	48,062	31,580
\$5,000.00 - \$9,999.99	26,732	11,329
\$10,000.00 - \$14,999.99	9,124	3,155
\$15,000.00 - \$19,999.99	4,037	1,296
\$20,000.00 - \$29,999.99	3,493	1,174
\$30,000.00 - \$49,999.99	2,272	829
\$50,000.00 - \$74,999.99	928	322
\$75,000.00 - \$99,999.99	376	123
\$100,000.00 - \$149,999.99	295	88
\$150,000.00 - \$199,999.99	100	22
\$200,000.00 - \$249,999.99	52	11
over \$249,999.99	75	14
Total	222,866	208,729

## Summary of Enrollment and Claims

The following provides a summary of members, paid medical claims, and paid Rx claims from June 2005 through May 2006.

Time Period	Members	Net Pay Med and Rx	Net Pay Med	Net Pay Rx	Claims Paid	Claims Paid Med	Scripts Rx
Jun-05	229,256	\$68,853,368	\$52,959,648	\$15,893,720	625,309	263,509	356,323
Jul-05	229,228	\$65,130,689	\$50,209,281	\$14,921,408	560,759	232,609	323,335
Aug-05	227,528	\$76,933,108	\$60,251,604	\$16,681,503	668,464	298,393	364,916
Sep-05	228,123	\$64,615,706	\$49,917,137	\$14,698,569	568,819	243,397	320,605
Oct-05	233,058	\$68,851,505	\$54,586,725	\$14,264,780	564,840	258,350	302,338
Nov-05	233,617	\$72,082,346	\$55,631,637	\$16,450,709	640,352	279,594	355,325
Dec-05	234,180	\$74,949,023	\$57,622,291	\$17,326,732	644,642	272,570	366,289
Jan-06	234,184	\$79,397,225	\$58,431,645	\$20,965,580	712,605	282,784	422,902
Feb-06	234,341	\$66,041,965	\$47,800,803	\$18,241,162	605,669	241,290	358,291
Mar-06	234,253	\$82,421,761	\$64,222,155	\$18,199,606	662,802	294,110	362,859
Apr-06	234,623	\$73,061,771	\$55,272,810	\$17,788,961	599,570	250,207	343,619
May-06	234,631	\$81,940,534	\$59,742,898	\$22,197,636	696,386	266,815	422,293

NOTE: Includes run out data from all Carriers

The following illustrates the change in paid claims amounts (includes medical and Rx) by rolling year.

Paid Rolling Years	Members	Total Medical and Rx Claims	Total Medical Claims	Total RX Claims
May 2004 - Apr 2005	228,228	\$774,402,187	\$602,368,963	\$172,033,224
May 2005 - Apr 2006	232,283	\$874,279,000	\$666,648,633	\$207,630,367
% Change (Paid Roll Yrs)	1.80%	12.90%	10.70%	20.70%